



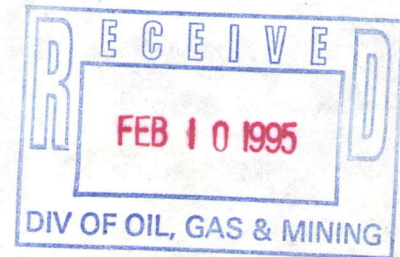
State of Utah

School and Institutional
TRUST LANDS ADMINISTRATION

Michael O. Leavitt
Governor

Scott Hirschi
Director

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Salt Lake City, Utah 84180-1204
801-538-5508
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February 8, 1995

CERTIFIED MAIL NO. P 879 605 452

Geokinetics Inc.
2091 East 1300 So., Suite 202
Salt Lake City, UT 84108

RE: ML 45256 Oil Shale; Seep Ridge Project

Gentlemen:

Your redemption of CD No. 2790 without the consent of the state is in breach of the above numbered lease agreement. If acceptable remedy is not made by Lessee within the next 30 days, the rights granted to Lessee by this lease will be forfeited without further notice.

Acceptable remedy shall consist of a short term replacement CD in the amount of \$100,00, issued by a Utah bank, in the name of Geokinetics Inc. and Utah Trust Lands Administration.

The certificate must be endorsed by Geokinetics Inc. upon submittal and the account must be set up such that the bank will absolutely require signature by the state prior to redeeming the CD.

Thank you for your cooperation in this matter.

Sincerely,

JOHN T. BLAKE
MINERAL RESOURCES SPECIALIST

JTB/tdw

cc: Wayne Hedberg

